

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		PAGE OF PAGES 13		
2. AMENDMENT/MODIFICATION NO. 0008		3. EFFECTIVE DATE 1/18/01		4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (If applicable)	
6. ISSUED BY DEFENSE FINANCE AND ACCOUNTING SERVICE ACQUISITION SUPPORT ORGANIZATION-DFAS-ASO/DPA 1931 JEFFERSON DAVIS HIGHWAY ARLINGTON, VA 22240-5291 ATTN: JOHN A. ZIU (703) 607-5734 FAX (703) 602-5642		CODE MDA220		7. ADMINISTERED BY (If other than Item 6) SAME AS BLK #6		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and ZIP Code)				9A. AMENDMENT OF SOLICITATION NO. MDA220-00-R-6001			
				9B. DATED (SEE ITEM 11) 9/11/00			
				10A. MODIFICATION OF CONTRACT/ORDER NO.			
				10B. DATED (SEE ITEM 13)			
CODE		FACILITY CODE					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ___ is extended, <u>XX</u> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning <u>1</u> copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; of (c) By separate letter of telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. ACCOUNTING AND APPROPRIATION DATA (If required)							
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.							
<input checked="" type="checkbox"/> A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.							
<input type="checkbox"/> B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)							
<input type="checkbox"/> C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:							
<input type="checkbox"/> D. OTHER (Specify type of modification and authority)							
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return ___ copies to the issuing office.							
14. DECEIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)							
THE PURPOSE OF THIS AMENDMENT IS TO REVISE SECTION J, ATTACHMENT J.1, AND TO ANSWER OFFEROR QUESTIONS.							
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. NAME AND TITLE OF SIGNER (Type of print)				16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or Print)			
				JOHN A. ZIU			
15B. CONTRACT/OFFEROR		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA		16C. DATE SIGNED	
(Signature of person authorized to sign)				(Signature of Contracting Officer)			

1. SECTION J, ATTACHMENT J.1, PARAGRAPH 1, COLUMN D – ACCEPTABLE QUALITY LEVELS (AQL), THE FIRST SENTENCE IS HEREBY DELETED AND RESTATED AS FOLLOWS: “Sets forth the minimum level of acceptable quality for that service, PRS (column D), that, if not met, will cause the government to invoke the payment computation formula.”

2. QUESTIONS AND ANSWERS:

REFERENCE: Amendment No. 1, Page 3, Defense Information Systems Activity & Amendment No. 7, Page 5, Other Inter-fund (Fund) Purchases

QUESTION 1: Amendment No. 1 identifies the value of DIAS Systems Activity for FY00 at \$1,777,500 and projects a FY01 value of \$1,500,000. Amendment No. 7 identifies three separate FY00 DISA accounts as follows:

647 DISA IPC Support (A-Goal)	\$2,053.7K
649 DISA Other Support (C-Goal)	13.8K
671 DISA Communication Services	914.4K

Please clarify the relationship of these values. Which value or subset of values represents the cost of DISA as related to the Military Retiree and Annuitant Pay Activity described in Section 5.0 of the PWS?

RESPONSE: Amendment 0001 does not contain fiscal year 2000 *actual* DISA costs as indicated in that amendment, but rather reflects the *estimated* fiscal year 2000 cost of DISA support as these costs were identified prior to final end-of-year billing. On the other hand, Amendment 0007, line items 647, 649 and 671 reflects historical cost data and represents the fiscal years 1999 and 2000 charges associated with DISA and other communications services in support of the Military Retiree and Annuitant Pay activities. It is not limited to tasks described in Section 5.0 in the PWS. For example, line item 671 reflects a centralization of charges for the DFAS communications support to included, but is not limited to NIPRNET, cell phones, pagers, calling cards, toll-free support and video teleconferencing. Also, the cost data in amendment 0007 is data associated with a variety of DFAS operations that DFAS assigns to its Military Retired Pay Account Maintenance budget output category, rather than a report of the costs of performing work in the manner and scope described in the PWS.

Reference: Amendment No. 7, Page 6, Other Purchase

QUESTION 2: Amendment No. 7 identified Postal Services (USPS) at a FY00 value of \$2,923.7K. Is this value for only those tasks described in Section 5.0 of the PWS?

RESPONSE: The identified value for postal services (USPS) represents all postage, mailing, delivery changes and expenses addressed historically required to perform Military Retired and Annuitant Pay Services. This includes but not limited to items mailed to individual payees. It is not limited to tasks described in Section 5.0 in the PWS.

QUESTION 3: How will the Government's estimate for Information Technology Infrastructure Services (DIAS and DAPS) be determined? Will the Government evaluation use the Government's MEO estimate for these services or will the Government come up with an independent estimate for these services?

RESPONSE: The estimate for Information Technology Infrastructure Services (DISA and DAPS) identified in Section M.6(a)(3)(a) will be an Independent Government Estimate, rather than the “Government's MEO estimate” or “in-house cost estimate prepared as part of the Government’s Management Plan.

QUESTION 4: Please clarify how an offeror that only proposes on Payroll Business Operation how will have his proposal adjusted for price comparison purposes?

(a) Will the offeror's proposal be adjusted by the same amount as the Government's MEO for Information Technology Infrastructure Services (DIAS and DAPS), or

(b) Will both the offer's proposal and the Government's MEO be adjusted by the Government's independent estimate for Information Technology Infrastructure Services (DIAS and DAPS) , or

(c) Will the Offeror's proposal be adjusted by an independent Government estimate while the Government MEO uses the MEO estimate?

We believe that only (a) and (b) treat offerors fairly and create a level playing field for all parties by adding the same price adjustment factors to both a contractor's proposal and the Government MEO.

We appreciate your attention to these matters.

RESPONSE: 4(a): During the process of source selection of the commercial offer, the Government's Management Plan (including the MEO and in-house cost estimate) will remain sealed. The Government will utilize an Independent Government Estimate for Information Technology Infrastructure Services when making the price evaluation adjustment identified in Section M.6(a)(3)(a) of the solicitation.

4(b) and 4(c):

- If a commercial offer to perform both Business Operations and Information Technology Infrastructure Services wins the source selection competition, that offer will be compared against the in-house cost estimate for Information Technology Infrastructure Services. The in-house cost estimate will have been part of the Government Management Plan/MEO sealed during the source selection. During the cost comparison, the Independent Government Estimate for Information Technology Infrastructure Services will not be used to adjust the "price" of the commercial offer or the in-house cost estimate of the MEO.
- On the other hand, if an offer to perform only Business Operations wins the source selection competition, then performance of Information Technology Infrastructure Services and the costs thereof are eliminated from the cost comparison. This is because Information Technology Infrastructure Services becomes a "common cost" service that will be provided by the Government to either the MEO or to a commercial offeror, irrespective which entity wins. In such a case, neither the MEO nor a commercial offer will be affected or adjusted by the estimate developed for Information Technology Infrastructure Services.

3. ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.